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SOURCE Hua Shang Pao.SHANG-HAI COMMISSION REGULATES LABOR-MANAGEMENT DISPUTES

Shang-hai, 5 September (MCNA) -- The Shang-hai Military Control Commission has issued regulations as of 19 August 1949 for the settlement of labor-management problems in private industries:

1. To settle controversies between capital and labor, promote the interests of both, and increase production, the commission has prepared these regulations.
2. The commission has established the Labor Bureau as the organ for adjusting irreconcilable differences between employers and workers. In cases of such differences the parties concerned should bring the case to the Labor Bureau for adjudication.
3. The following steps are to be taken:
 - a. In the case of an ordinary controversy the labor union will represent the workers (including cadres) in direct negotiations with legal representatives of the employer.
 - b. If these negotiations fail to produce an agreement, both or either of the parties may ask the Labor Bureau to mediate. In case this fails, an arbitration shall be made according to law. If both sides or either side rejects the award, the matter must be brought into the municipal people's court for a decision.
4. Demands of any nature which the workers in any industry or plant wish to make of employers should first be submitted through the local union to the municipal union for review. In case of necessity the municipal union will send negotiators with the workers' representatives to negotiate on behalf of the workers with the employer or his legal representative.

When an agreement has been reached, both sides will observe it. In case no agreement is reached, either side may appeal to the Labor Bureau to negotiate or to arbitrate.

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5. In direct negotiations between employer and workers, the two sides will negotiate directly through their representatives, confining the negotiations to the one organization or industry in which they properly belong, in the case of ordinary problems. The representatives of each side (not less than three nor more than ten) will meet in conference. Any agreement reached will be reported to the Labor Bureau for recording. If either side is guilty of the use of duress against the other, the agreement will be considered void.

6. The process by which the Labor Bureau will handle labor disputes is as follows:

a. When both sides to a controversy request mediation by the Labor Bureau they will prepare a document containing: (1) the name of the industry, (2) name of the plant, (3) location of the plant, (4) number of men affected, (5) main points of the controversy, (6) history of previous negotiations, and (7) names of representatives of the parties to the dispute and their addresses.

b. After the Labor Bureau has examined the document, it will request the representatives of the two sides to come to the bureau to negotiate.

c. Should the negotiations be unsuccessful, the Labor Bureau will arbitrate the dispute and after the award the chairman of the arbitration committee will sign the arbitration statement. After the chief of the Labor Bureau has approved the award, the contending parties will be notified and instructed to carry out the terms of the award. If either side rejects the award, it will notify the Labor Bureau within 5 days and ask for court action. Otherwise, the arbitration award carries the force of law.

d. During negotiations and while waiting for an arbitration award, both sides will maintain the status quo in the industry and neither side will take any arbitrary action that will have an adverse effect on production. In case either side appeals an arbitration award to the courts, both sides will maintain the conditions prescribed in the award until the court makes a decision.

7. The chairman of a Labor Bureau arbitration committee will be named by chief or deputy chief of the bureau, and the Labor Bureau will invite representatives of the municipal Bureau of Industry and Commerce, the municipal labor union organization, and the association of industrial and commercial organizations, one from each of the above groups, to be members of the committee. Further details of the committee organization will be at the discretion of the Labor Bureau.

8. If any employer encounters economic hardships and wishes to change his type of industry or decrease production, he may petition the Department of Labor and Commerce for permission. After permission is granted, the employer may make a fair settlement with his employees. If the employees believe the proposed settlement unfair, the union may protest. If the employer regards the protest unjustified, the matter must be referred to the Labor Bureau for negotiation or arbitration.

9. These regulations will be in force from the date of their promulgation.

10. Authority for revision of these regulations will reside with the Military Control Commission while it functions and with the municipal government thereafter.

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